

Financial Considerations

Maintaining or increasing the number of people per household unit, as well as number of households per lot in existing residential areas, reduces the costs for municipalities to extend utilities and services and preserves land. Municipalities gain additional tax revenue from accessory apartments, as a result of improvements to the existing housing stock, that increases the “full and fair cash value” of the properties. The financial impact on municipalities is also tempered by the fact that accessory units provide a housing option that enhances the moderately priced housing stock without requiring subsidies.

Local businesses benefit from accessory apartments as they provide moderately priced accommodations for employees within the community. Accessory apartments also provide affordable housing for public sector employees, social service professionals and service sector workers (such as day care instructors, teachers, nurses, home health care aides and security guards), seniors and young families.



For More Information:

Massachusetts Smart Growth Toolkit
<http://www.mass.gov/ocd>

Mass Housing Partnership (MHP)
<http://www.mhp.net>

Mass Department of Housing and Community Development (DHCD)
<http://www.mass.gov/dhcd/>

Background on Subsidized Housing Inventory
<http://www.mass.gov/dhcd/components/hac/subhous.htm>

AARP website
<http://www.aarp.org>

Older Americans Act website
<http://www.aoa.dhhs.gov>

MASSACHUSETTS SMART GROWTH

Toolkit



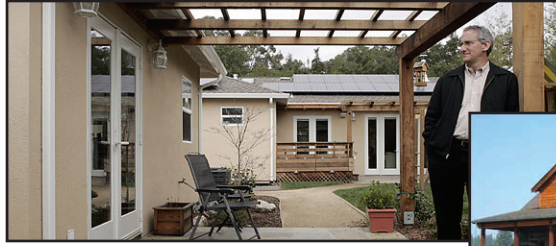
Accessory Dwelling Units (ADU)

Accessory dwelling units (also known as accessory apartments, guest apartments, in-law apartments, family apartments or secondary units) provide supplementary housing that can be integrated into existing single family neighborhoods to provide a low priced housing alternative with little or no negative impact on the character of the neighborhood.



The Problem

The U.S. Census shows that the average number of people per household has decreased significantly over the last 30 years (from 3.1 in 1970 to 2.6 in 2002). Yet, new homes continue to be built, suggesting that there is increased capacity in the existing housing stock. This has occurred while the value of homes and the resulting tax burden on residents continues to rise. Homeowners are often forced to sell a house that is too big for their needs. This issue further exacerbates the existing scarcity of affordable housing options, and the land consumed and new infrastructure required for a standard single family subdivision are significant.



An Overview of ADU's

There are three types of accessory dwelling units:

- 1) Interior - using an interior part of a dwelling;
- 2) Interior with modifications where the outside of the dwelling is modified to accommodate a separate unit (this could include a unit over the garage if the garage is attached)
- 3) Detached - a structure on a residential lot that is separate from the main dwelling, yet by definition still “accessory” and so smaller than the main unit (this would include a unit over the garage if the garage is detached).



The common features of all accessory dwelling units are that they are self-contained (they provide complete living facilities for the use of one or more individuals, with permanent provisions for living, sleeping, eating, cooking, and sanitation) and subordinate to the existing dwelling. The approach used by most municipalities for accessory units is a zoning bylaw that permits the additional, but accessory unit, allowing certain improvements to be made to the existing dwelling. Restrictions that may be considered include whether the dwelling existed as of a certain date, the maximum allowed building and site modifications, the options for choosing inhabitants, whether the owner must occupy the main unit, and minimum lot sizes. However, the greater the number of restrictions, the fewer options there are available to homeowners and the lower the number of qualified homes.